

## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

The Harry Fitzwater Children's Day Care Center

FROM:

William F. Donnelly  
Deputy Director for Administration

EXTENSION

NO.

DDA 86-1016 X

DATE

12 August 1986

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S  
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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The attached MOU has been signed by the Deputy Director for Administration with the understanding that at the time of signing there are no funds or space now available for the Center. No commitments have been made as to when either might be available.

  
William F. Donnelly

Attachment:  
MOU re Day Care Center

ORIG:DDA:WFDdonnelly:be  
Distribution:

1 - Ea. PRS on Ea. Orig  
of the MOU re Day Care  
Center

~~1 - DDA Subject Policy of 1984~~

1 - WFD Chrono w/o att.

DD/A REGISTRY

FILE: 45-8

45-8

DIA FORM 89-1  
86-10164

## MEMORANDUM OF UNDERSTANDING

This Agreement is entered into this 20th day of May 1986, by and between the Central Intelligence Agency, hereafter CIA, and The Harry Fitzwater Children's Center, Inc., a Virginia corporation, hereafter HFCC. In consideration of the mutual promises contained herein, it is agreed as follows:

1. Provision of Services HFCC shall provide a comprehensive early childhood education program and such incidental day care services as are necessary in furtherance of the said early childhood education program to the children of HFCC members, consistent with policies determined by the Board of Directors of HFCC. Services shall be provided in a manner consistent with federal, state and county laws and regulations. All employees of HFCC shall have the licenses and certifications required by applicable laws and regulations. All members whose children participate in any HFCC program shall execute a registration form which clearly indicates that HFCC is not an instrumentality of the U.S. Government and is solely responsible for errors and omissions arising out of its operations.

2. Membership Membership in HFCC shall be available solely to U.S. Government employees employed at the CIA, or persons employed by other specified entities, approved by CIA, within the discretion of the Board of Directors. Said membership shall be available without regard to race, religion, sex, or national origin. Membership dues shall be fixed by the Board of Directors.

3. Level of Services The Board of Directors of HFCC shall, with the approval of the CIA, determine the number of children who shall participate in the early childhood education program. The Board of Directors of HFCC may increase or decrease the number of children with the permission of the CIA. For the purpose of this paragraph, the Director of Personnel is authorized to grant permission or approval on behalf of the CIA.

4. Board of Directors The affairs of HFCC shall be managed by the Board of Directors, all of whom shall be members of HFCC. The directors constituting the first Board shall be appointed by the CIA and shall hold office until the first election of directors. Thereafter, the Board shall consist of

eleven directors who shall be elected by the members for a term of two years. Any vacancy occurring on the Board of Directors shall be filled by the affirmative vote of a majority of the remaining directors.

5. Employees of HFCC The Board of Directors in their discretion shall employ such persons on behalf of HFCC as may be necessary to provide the services described in paragraph 1, and shall determine their salaries, benefits, and terms and conditions of employment. Such persons shall be employees of HFCC and not of the CIA or the U.S. Government. HFCC employees shall not be entitled to federal retirement or employment benefits by virtue of their relationship with HFCC.

6. Employment Process All applicants for HFCC employment shall sign an application form which, in addition to giving all pertinent information, states that HFCC employment is not employment by the U.S. Government and that they are not entitled to federal retirement or any other benefit connected with federal employment, that HFCC employment is at will, that a security clearance by CIA is required for employment by HFCC, and that the granting or denial of said clearance is within the exclusive discretion of the Director of Central Intelligence. The HFCC Security Officer and Facility Director will screen all applications and determine which applicants HFCC is interested in hiring. The applications of individuals HFCC is interested in hiring shall be forwarded to CIA for security review. HFCC agrees to hire applicants for employment only after they have been granted a security clearance by CIA. Revocation of said clearance shall constitute mandatory grounds for immediate termination of employment.

7. Insurance The CIA and the U.S. Government shall not be liable for any errors or omissions arising out of HFCC's activities. HFCC shall procure workers' compensation insurance for its employees and liability insurance covering all aspects of its operations. HFCC shall provide the CIA with current certificates of coverage as evidence of insurance policies in force.

8. Books and Records The Board of Directors shall ensure that HFCC maintains books and records which adequately account for funds received and disbursed and for property belonging to or loaned to HFCC. HFCC shall make said books and records available to the CIA for audit and inspection upon request, and agrees that the CIA may require implementation of any recommendations resulting from said audits or inspections.

9. Notices and Mailings to Members All notices and mailings to or from members must be with the approval of, and in coordination with, the Central Intelligence Agency.

10. Facilities The CIA shall make available to HFCC space in the Headquarters compound for the provision of day care services. The adequacy and suitability of facilities provided shall be determined solely by CIA. CIA reserves the right to require HFCC to vacate the facilities provided or to provide alternative facilities in another location. Security, routine cleaning, utilities, heating, ventilating, and air-conditioning shall be provided to HFCC free of charge. To the extent that HFCC acquires supplies and/or services from outside the CIA, HFCC agrees to comply with CIA policies and procedures controlling access to the Headquarters area.

11. Dissolution of HFCC In the event of dissolution of HFCC, all assets belonging to the CIA shall be returned to CIA, and assets belonging to HFCC shall be distributed by the Board in conformance with the requirements of Section 501 of the Internal Revenue Code. The CIA shall not in any way be liable for debts or obligations of HFCC. HFCC shall give the CIA at least 60 days notice prior to dissolution.

12. Termination of Agreement This agreement may be terminated:

(a) by dissolution of HFCC; or

(b) by the CIA after 90 days notice to HFCC from the CIA.

13. Requests for Information HFCC agrees to advise the CIA of any requests for information by federal, state or local authorities, or any private organization. In the event that the CIA determines that the response may cause the disclosure of classified information, HFCC will respond according to instructions from CIA.

14. Applicable Law The laws of the State of Virginia govern this agreement, subject to rights and responsibilities of the CIA under federal law.

CENTRAL INTELLIGENCE AGENCY

By:

Deputy Director for Administration

12 August 1986  
Date

THE HARRY FITZWATER CHILDREN'S CENTER, INC.

By:

President, Board of Directors

May 20, 1986  
Date

Director

MAY 20, 1986  
Date

Director

20 MAY 1986  
Date

BYLAWS OF  
THE HARRY FITZWATER CHILDREN'S CENTER, INC.

Article I

Name and Offices

Section 1.1 Name

The name of the organization shall be The Harry Fitzwater Children's Center, Inc. For the purposes of reference in these bylaws, the organization shall be designated as "HFCC".

Section 1.2 Offices

The principal office of the corporation shall be at CIA Headquarters, Fairfax County, Virginia.

Article II

Organization and Purpose

Section 2.1 Organization

HFCC is incorporated as a Virginia non-stock corporation and shall be organized and operated exclusively for charitable, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

Section 2.2 Purpose

The purpose of HFCC and activities of its officials shall be to provide a comprehensive early childhood education program

and such incidental day care services as are necessary in furtherance of the said early childhood education program for children of a parent or parents who are U.S. Government employees employed at the Central Intelligence Agency, or a parent or parents employed by other specified entities approved by the CIA, within the discretion of the Board of Directors.

### Section 2.3 Membership

Membership in HFCC is open to all U.S. Government employees employed at the Central Intelligence Agency, or persons employed by other specified entities, approved by CIA, within the discretion of the Board of Directors. Membership is available without regard to race, religion, sex, or national origin. An annual membership fee of \$1 must be paid to the Treasurer of HFCC each year to remain a member in good standing and to vote at membership meetings.

## ARTICLE III

### Board of Directors

#### Section 3.1 General Powers

The property, affairs and business of HFCC shall be overseen by the Board of Directors, including the formulation of financial policy, fees and salaries; the formulation of personnel policies and practices; the approval of all staffing decisions; the hiring and the annual evaluation of the Facility Director; and amendments to these bylaws.

Section 3.2 Number, Qualifications, Election and  
Term of Office

(a) Number and Qualifications The initial Board shall consist of three (3) members. As soon as possible after commencement of operations, an election, pursuant to Section 3.2(c), shall be held, at which the regular Board shall be elected. There shall be eleven (11) members on the Board of Directors each of whom shall have one vote. At least six (6) of the eleven members shall be parents or guardians of children enrolled in the Facility.

(b) Powers of Initial Board In addition to the General Powers set forth in Section 3.1, the initial Board of Directors shall have the authority to enter into a Memorandum of Understanding with the Central Intelligence Agency which shall define the respective rights and obligations of the parties.

(c) Election and Term of Office The Board shall be elected by the general membership of HFCC. After the initial elections, annual elections shall be held at a general membership meeting, at a time and date set by the Board of Directors. Persons shall be elected by a majority of the members. Written notice of the meeting shall be delivered to all members at least 14 days before the date of the election. Members shall be entitled to vote by proxy. Nominations for Board membership may be made up to the time of the vote by the general membership referred to in this section. Five Board members shall be elected for a two (2) year term, beginning on the first day of the month following the first election.

Six (6) Board members shall be elected for a one (1) year term, beginning on the first day of the month following the first election and for a two (2) year term beginning on the date of the termination of the first one-year term. Thereafter, the term for each director shall be two (2) years. No Board member may serve more than (2) consecutive terms of office.

### Section 3.3 Officers of the Board

Officers of the Board of Directors shall consist of a President, a Vice President, a Secretary, and a Treasurer, to be elected by the Board members at the meeting following the annual election. They shall hold a term of office of one (1) year and may not serve more than two (2) consecutive terms.

(a) President The President shall be the principal executive officer of HFCC and its Board of Directors and serves at the pleasure of the Board. He/she shall call, set the agenda for, and preside over all meetings of the Board. He/she may sign, with another officer of the Board, any deeds, mortgages, bonds, contracts, and checks which must be executed by the Board. He/she shall be the principal liaison with the Central Intelligence Agency.

(b) Vice President The Vice President shall serve in place of the President when the President is absent or unable to fulfill his/her duties.

(c) Secretary The Secretary shall keep the minutes of the meetings of the Board of Directors and be the custodian of the records and of the seal of HFCC.



(d) Treasurer The Treasurer shall have charge and custody of and be responsible for all funds and securities of HFCC; receive and give receipts for monies due and payable to HFCC and deposit such monies in banks, trusts or other depositories as shall be selected by the Board. The Treasurer may delegate the performance of these functions to the Facility Director with the concurrence of the Board. The Treasurer shall also serve as chairperson of the Budget Committee of the Board, and shall make a monthly report to the Board on the financial status of HFCC.

#### Section 3.4 Meetings

(a) Regular Meetings Regular meetings shall be held during the first week of each month, or as soon thereafter as conveniently possible.

(b) Special Meetings Special meetings of the Board may be called by the President or any other member of the Board.

(c) Notice Written notice of the date and place of all regular and special meetings shall be delivered to the entire Board not later than five (5) days before the date of the meeting.

(d) Place The Board of Directors may designate any place within a reasonable distance from HFCC as the regular meeting place. Or, the President may designate, in the absence of a regular meeting place, the place for the next meeting, commensurate with the purpose of the meeting.

(e) Quorum A majority of members of the Board shall constitute a quorum.

### Section 3.5 Executive Committee

The Executive Committee of the Board of Directors shall consist of the Officers of the Board and the Facility Director. The Executive Committee shall meet at the request of any of the members of the Committee, and shall have and may exercise all of the powers and authority of the Board during the intervals between meetings of the Board.

### Section 3.6 Vacancies

A vacancy in Board membership or office because of resignation or otherwise shall be filled by appointment to serve the remainder of the term of the position vacated. Such appointment shall be made by majority vote of the remaining members of the Board.

### Section 3.7 Committees of the Board

All committees are responsible to the Board of Directors. Any committee may appear before the Board of Directors upon request and will be placed on the agenda of the next meeting of the Board upon such request. Each committee must present a report to the Board of Directors twice a year. Each standing committee shall elect a chairperson from its membership. The following constitutes a list of the standing committees:

(a) Fundraising Committee The Fundraising Committee investigates possibilities for raising money for HFCC.

Whenever a fundraising activity is approved by the Board, the Fundraising Committee is charged with overseeing the organization and implementation of the project.

(b) Budget Committee The Budget Committee evaluates the financial position of HFCC. It recommends a proposed Budget, recommends priorities for spending, recommends the sources of income and an adequate reserve level, recommends when to adjust tuition fees, projects income and expenses, recommends staff salaries and enrollment goals for HFCC. It evaluates insurance needs and recommends policy to maintain adequate insurance coverage. The Budget Committee has no power to commit funds or spend money.

(c) Operating/Policy Committee The Operating/Policy Committee reviews the operating policies of HFCC, and makes recommendations for changes. The members serve as the first point of contact for making policy changes or for clarifying existing policies. They will prepare an annual report of their recommendations.

(d) Scholarship Committee The Scholarship Committee makes recommendations to the Board concerning how scholarship money should be administered, the fundraising goal for the scholarship fund for the next fiscal year, and the subsidization scale. The chairperson of the Budget Committee will be a member of the Scholarship Committee. This will

safeguard the confidentiality of the information about scholarship recipients, and will provide a link between the two committees.

#### Section 3.8 Resignation

Any member may resign at any time by giving written notice of the resignation to the Board of Directors, President or Secretary. The resignation will take effect upon receipt of the written notice unless another time is specified.

### ARTICLE IV

#### Facility Director

##### Section 4.1 General Powers and Duties

(a) The Board shall hire the Facility Director, who shall be subject to the direction and control of the Board, and be responsible for the active administration of the business and affairs of the Facility.

The Facility Director shall:

Develop and execute a program that contributes to the care and development of the children who attend the program.

Recruit, train, supervise, evaluate and discharge volunteers and personnel employed by the facility, conduct staff meetings and plan for staff development.

Maintain the physical properties of the facility.

Supervise the business and financial affairs of the facility; supervise the collection of fees, the proper maintenance of financial records and the purchase of routine foods, equipment and supplies within the budget.

Assist in the preparation of annual budgets in conjunction with the Budget Committee of the Board.

Develop policies and procedures for effectively carrying out the purposes of HFCC.

Work with the Board of Directors and with various committees in order to recommend changes in policies concerning the budget, staff and the curriculum, and to provide adequate information on the status and future needs of the facility at regular meetings of the Board and membership.

Maintain appropriate record-keeping on staff and the children who attend the facility; maintain waiting list information, requisitions and inventories.